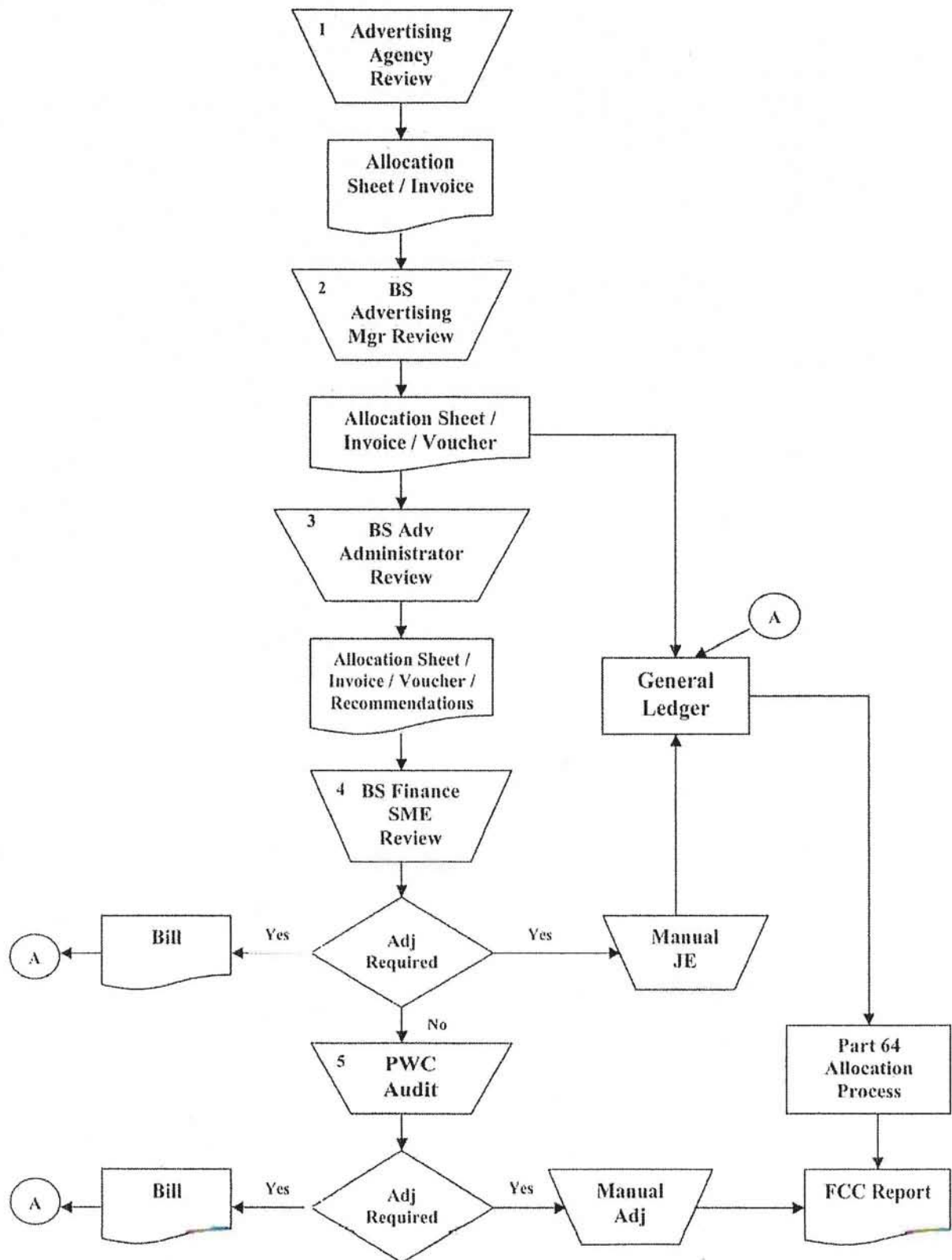


Appendix 5

Allocation of Advertising Costs

Page 1	Flow chart showing allocation process for Account 6613, Advertising
Page 2	Example of mark-up required to determine allocation of words among various products and services for a simple advertising campaign letter
Page 3	Form showing resulting allocation from above campaign among products and services by State
Page 4-9	Example of mark-up required to determine allocation of words among various products and services in English and Spanish versions for a more complex advertising campaign
Page 10	Form showing resulting allocation from above campaign among products and services by State

Allocation of Account 6613, Advertising



DSL

Bellsouth®

URGENT: Your BellSouth® FastAccess® Business DSL promotional discounts are about to expire.

Please call for continued savings

XXX-XXX-XX-XXXX
Sample A. Sample
ABC Company
Suite 1-A
123 Any Street
Anytown, US 12345-6789
**** BAR CODE ****

DSL - 70%
Local - 15%
LD - 15%

BELLSOUTH® FASTACCESS® BUSINESS DSL DISCOUNT EXPIRATION NOTICE:

Local
LD
DSL

Current BellSouth FastAccess Business DSL discount: \$30 per month for 12 months

BellSouth FastAccess Business DSL discount expiration: Month 2004

Continue saving on your monthly BellSouth FastAccess Business DSL charges by signing a new BellSouth® Internet Answers™ term agreement before: Month 2004

Estimated BellSouth FastAccess Business DSL savings with a new term agreement:
Up to \$1080 over the next 36 months

Dear Sample A. Sample,

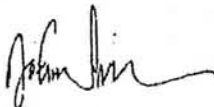
Our records indicate that you've been receiving \$30 off your monthly FastAccess Business DSL bill as a result of promotional pricing when you originally purchased FastAccess Business DSL service. However, that pricing will expire Month 2004 — and your bill will soon reflect standard pricing for this service.

BellSouth would like to give you the opportunity to continue saving on your monthly recurring FastAccess Business DSL charge by offering you a choice of two new BellSouth Internet Answers term agreements. If you already have BellSouth Long Distance service, and have or sign a new local service agreement, you can sign a new 24 or 36-month BellSouth Internet Answers term agreement and continue to save.

	FastAccess Business Term	Monthly Recurring Charge Discount	Total savings¹
LD	36 months	Local \$30	\$1080
	24 months	Local \$20	\$480

Call a BellSouth Small Business Sales Associate at 1.866.201.0468 to take advantage of this special offer and continue saving on FastAccess Business DSL.

Sincerely,



John Irwin
Vice President of Marketing
BellSouth Small Business Services

P.S. For more details about this offer, or alternative BellSouth® FastAccess® Business DSL solutions for your business, please call a BellSouth Small Business Sales Associate at 1.866.201.0468.

SCAF Report

Project Name: BPCONTIN: 4Q04 DSL TEA
 CAF#: S0570
 Vendor Name:
 Invoice #:

SCAF # Legend

C - Consumer B - Large Biz
 D - DSL X - Corporate
 S - Small Biz

R. 359 - Ads - Direct Mail Production

BP (BS mgr to fill in):

WID(s): 0380

SCAF #: S0570

Invoice Amount	\$				
	Product	BELLSOUTH.NET FAST ACCESS (ADV DSL)	FLAT RATE BUSINESS	Small Business Long Distance	
	PROD CODE	189	19	1902	
	RB#				
	Prod %	✓ 70.00%	✓ 15.00%	✓ 15.00%	
State	State %	State \$			
ALL		x	\$	\$	\$
AL	7.90%	\$	\$	\$	\$
FL	27.88%	\$	\$	\$	\$
GA	17.76%	\$	\$	\$	\$
KY	4.86%	\$	\$	\$	\$
LA	9.57%	\$	\$	\$	\$
MS	5.65%	\$	\$	\$	\$
NC	9.74%	\$	\$	\$	\$
S	6.10%	\$	\$	\$	\$
TN	10.55%	\$	\$	\$	\$
Factor	100.00%	\$			

Review By: _____ Date: 11/2/2004
 (Ad Manager Signature)

P.O. Box 530584
Birmingham, AL 35253-0584

John A. Sample
123 Any Street
Anytown, ST 12345-6789

Local Service	621
Complete Choice	107
DSL	37
Wireless/Cingular	13
Long Distance	43
Non-Regulated	0
	184

Total Words 1005

Dear John A. Sample,

Discover the rewards of being a BellSouth customer. Now BellSouth does it all — from **local to long distance** to **Internet services**, **DSL** and **Cingular® Wireless**. Start with a remarkable calling plan that gives you a lot for a little...

The BellSouth® PreferredPack® Plan!

It's a money-saving package that streamlines your phone service and includes our most popular calling features, the ones our customers say they rely on most — Caller ID Deluxe,¹ Call Waiting Deluxe, Call Return (*69),² and Three-Way Calling² — plus, additional features for much less than you would pay for each feature separately — all for just \$AX.XX a month!

We'll even give you some spending money to use however you please...

\$100.00 CASH BACK³ with the BellSouth PreferredPack Plan!

Plus, we'll waive your **local service connection fee!** **And, by adding a qualifying long distance plan, you'll get a \$5.00 a month DISCOUNT!**

Only BellSouth delivers the quality, service and reliability you deserve. We're your one-stop communications solution!

To sign up for this offer, please call us today toll free at 1.XXX.XXX.XXXX, or visit us online at bellsouth.com/welcome.

Sincerely,



Carlos A. Salinas
Senior Director, Consumer Marketing

Para español por favor llame 1.888.492.1075.

Ask us about DIRECTV® Satellite Television service — now available from BellSouth!

Get over 130 channels of entertainment programming for \$49.99/mo. (includes equipment fee). Bundle it with Unlimited **Local Service**, **Unlimited Long Distance** and **Internet Service** to save over **20%!** Call today and ask how you can get **FREE** installation and equipment for up to 3 rooms!

K00173-N40

(See back for more details)

V731MSE 0826

After signing up for the PreferredPack plan, fill out this coupon and mail it to BellSouth at the address in the box below to receive your \$100 cash back.

BELLSOUTH® LOCAL SERVICE \$100 CASH-BACK COUPON

Please print legibly

Your name as it will appear on your residential BellSouth bill

Your complete address as it will appear on your BellSouth bill

City, State, and Zip Code

Area Code/Telephone number

Telephone number at billing address (if different)

Mail this completed coupon to:
BellSouth® Reward Center,
DEPT #04-XXXXX, P.O. Box 540016,
El Paso, TX 88554-0016

(See back of coupon for more details.)

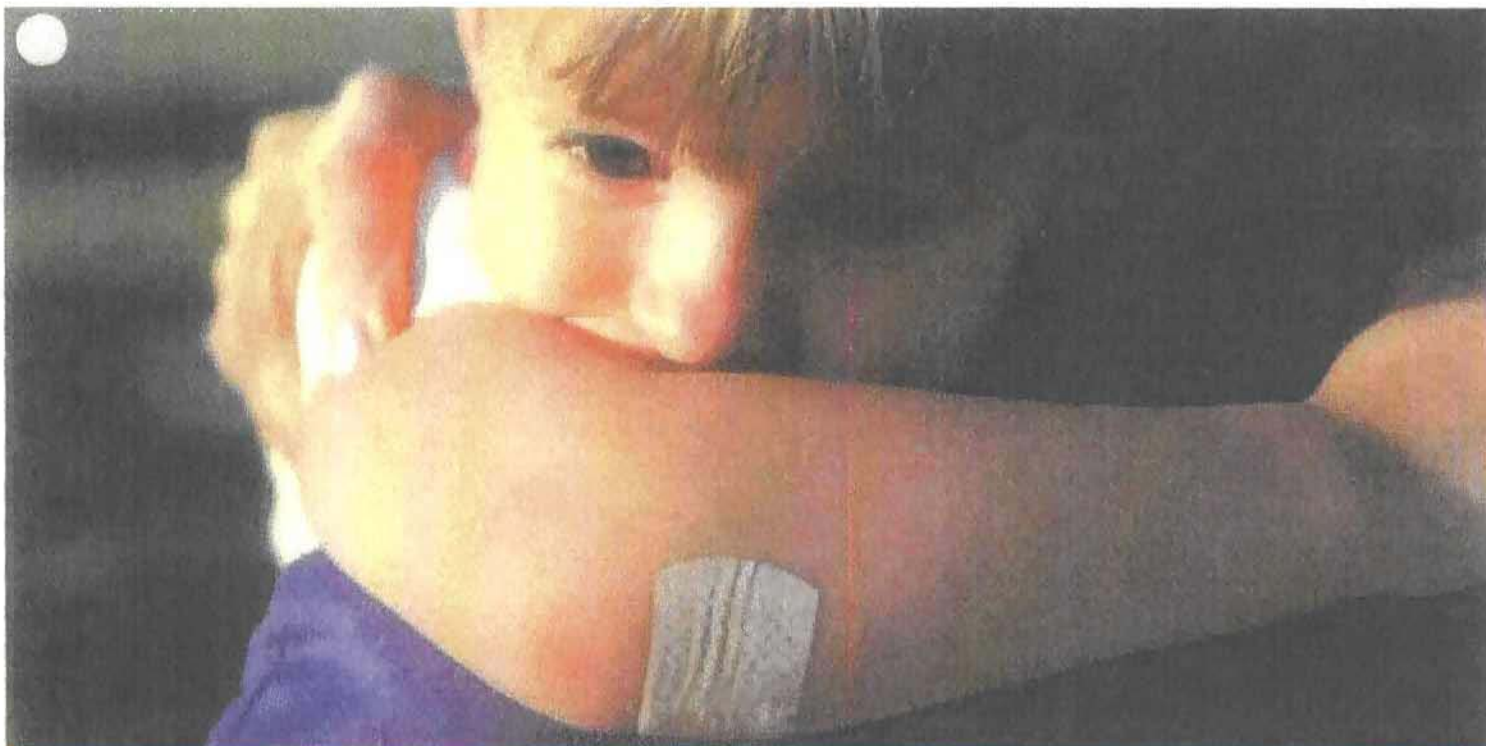
*DIRECTV offer for new DIRECTV customers only. Activation of DIRECTV programming may be subject to credit approval, and requires valid service address, social security number and/or major credit card. Call for DIRECTV service information and pricing. DIRECTV is a trademark of DIRECTV, Inc. **Savings are based on comparison of purchase price of BellSouth Digital TV Answers bundle vs. price of same services purchased individually. Advertised savings require minimum DIRECTV programming package of \$39.99 (excluding taxes and fees) from BellSouth and subscription to qualifying BellSouth local, long distance and Internet services. Other terms, conditions and restrictions apply. Internet savings require combined billing on BellSouth bill. DIRECTV savings will appear as a BellSouth Answers™ bundle savings on the DIRECTV bill beginning on the second billing cycle. Both DIRECTV and BellSouth customer accounts must be current and without a delinquent balance to continue to receive recurring monthly bundle savings. Applicable taxes and fees will be based on the full monthly price of all products and services and will not be credited with any reward or bill credit. 1The PreferredPack plan includes the following calling features: Call Waiting Deluxe, Three-Way Calling, Caller ID Deluxe, Call Return, BellSouth® Privacy Director® service, Message Waiting Indication, Star 98 Access, and Call Forwarding Busy Line & Call Forwarding Don't Answer (with or without Ring Control). Some features require additional equipment/services. Features must be compatible & subject to network and facility availability. 2Caller ID and Caller ID Deluxe require a compatible display unit. Caller ID blocking is available, so some calling names and numbers may not be displayed. Long distance or expanded local calling rates may apply for Call Return and Three-Way Calling. 3Quoted rate (excluding taxes, fees and other charges) for PreferredPack plan/bundle for new residential phone service in the state of X. 4To receive \$100 Cash Back, customer must switch local telephone service to BellSouth from another carrier and purchase the BellSouth® Complete Choice® plan or the BellSouth PreferredPack plan. Customer must redeem the attached coupon by returning it to BellSouth. See coupon for redemption details. BellSouth will send a check within 4-6 weeks after receipt of coupon to customers who retain qualifying service at the time of check processing. Offer valid for only one service line at the intended local service address. Customer must place order on or before 12/26/04. Customer must not have had local service with BellSouth 10 days prior to new service connection date. Customer eligible for one \$100 Cash Back promotion per 12 month period. Offer may be modified or withdrawn at any time without notice. BellSouth Digital TV long distance plan is not eligible for discount. Also, the long distance plan must be active. Offer expires 1/8/05 and may be modified or discontinued at any time without notice.

Internet service (dial-up, FastAccess DSL or DSL Lite) is not available in all areas and subject to BellSouth Internet Service terms & conditions. Wireless service provided by Cingular® Wireless and available where facilities permit. Other restrictions apply. ©2004 BellSouth Corporation. All rights reserved. All trademarks contained herein are the property of their respective owners.

Local Service	442
Complete Choice	102
DSL	12
Wireless/Cingular	0
Long Distance	211
Non-Regulated	0
	178

Total Words 945

BELLSOUTH 
P.O. Box 530584
Birmingham, AL 35253-0584



>> Sure, it's all fun and games. Until someone gets hurt.

And we're afraid that someone might have been you.

Over half of our returning customers say they didn't get the savings the other phone carrier promised them. At BellSouth, we've got just the remedy. We have the dependable service you grew up with, the clear calls you expect and a price competitive with anyone else out there. That ought to stop the bleeding. Well, that and the little blue bandage we've got for you.

For less than \$XX.XX a month,¹ you'll get

- Unlimited local calls
- Long Distance Service for just \$4 a minute²
- Caller ID Deluxe,³ Call Waiting Deluxe, Call Return (*69),⁴ Three-Way Calling⁵ and more

And, when you sign up for Local Service with the BellSouth® PreferredPack® Plan,⁶ and Long Distance Service, we'll waive your local service connection fee — a savings of \$XX.XX!

And give you 2 great signing bonuses:

200 FREE LONG DISTANCE MINUTES for the first 3 months!

\$100 CASH BACK⁷ with the BellSouth PreferredPack Plan!

Now available from BellSouth! DIRECTV® Satellite Television service!

Get over 100 channels of on-demand quality programming for less than you probably pay for cable!
Bundle it with Unlimited Local Service, Unlimited Long Distance and Internet Service and save over 20%.^{8,9}
Call today and ask how you can get FREE installation and equipment for up to 3 rooms!

Call us toll free at 1.XXX.XXX.XXXX, or visit us online at bellsouth.com/welcome.

Para español por favor llame 1.888.492.1075.

Become a BellSouth customer today. It'll make us both feel better!

1. Minimum 12-month agreement. 2. Long distance service provided by BellSouth Long Distance, Inc. Available in BellSouth service areas. 3. Caller ID and Caller ID Deluxe require a compatible display unit. Caller ID blocking is available, so some calling names and numbers may not be displayed. Long distance or expanded local calling rates may apply for Call Return and Three-Way Calling. Call Block will not block calls from coin or cellular telephones, 800 numbers or operator-assisted calls and may not work if the incoming call is from a telephone number in a multiline hunt group. 4. The PreferredPack plan includes the following calling features: Call Waiting Deluxe, Three-Way Calling, Caller ID Deluxe, Call Return, BellSouth® Privacy Director® service, Messages Waiting Indicator, Star 18 Access, and Call Forwarding Busy Line. Call Forwarding Busy Line, with or without Ring Control. Some features require additional equipment/service. Features must be compatible & subject to network and facility availability. 5. To be eligible for this promotion, a customer must become a new customer to both BellSouth local service and BellSouth long distance. 6. The Free Rate Savings Value plan between September 1, 2004 and November 30, 2004. Eligible customers will receive up to 200 free domestic direct-dial minutes for three full monthly bill periods starting with the first full bill period following subscription date. Free minutes do not carry over from one bill period to another. During the promotional period, all domestic direct-dial minutes in excess of 200 minutes per bill period shall be billed at the plan rate of \$0.05 per minute. After the promotional period, all domestic direct-dial minutes will be billed at the plan rate of \$0.05 per minute. 7. To receive \$100 Cash Back, customer must switch local telephone service to BellSouth from another carrier and purchase the BellSouth Complete Choice plan or the BellSouth PreferredPack plan. Customer will receive coupon for cash back in the mail which must be redeemed by returning it to BellSouth. See coupon for redemption details. BellSouth will send a check within 4-6 weeks after receipt of coupon to customers who retain qualifying service at the time of check processing. Offer valid for only one service line at the intended local service address. Customer must place order on or before 12/26/04. Customer must not have had local service with BellSouth 10 days prior to new service connection date. Customer eligible for one \$100 Cash Back promotion per 12-month period. Offer may be modified or withdrawn at any time without notice. ©2004 BellSouth Corporation. All rights reserved. All trademarks contained herein are the property of their respective owners.

Local Service	572
Complete Choice	103
DSL	21
Wireless/Cingular	0
Long Distance	266
Non-Regulated	0
Unregulated	211

Total Words 1173

P.O. Box 530584
Birmingham, AL 35253-0584



● >> Claro, sólo se trata de diversión y de juego,
hasta que alguien sale lastimado.

SCAF Report

Project Name: 4Q 2004 Reacquisition - Local Service WinOver
CAF#: C0090
Vendor Name:
Invoice #:
RTC: 583 - Postage
BP (BS mgr to fill in):
WID(s): 0380

SCAF # Legend			
C - Consumer	B - Large Biz		
D - DSL	X - Corporate		
S - Small Biz			

SCAF #: C0090

Invoice Amount								
		Product	CELLULAR SERVICE/Cingular	BELLSOUTH.NET FAST ACCESS (ADV DSL)	Consumer Long Distance	DirectTV	INTEGRATED PKG COMPLETE CHOICE	FLAT RATE RESIDENCE
		PROD CODE	175	189	1900	219	413	65
		RB#						
		Prod %	0.26%	0.38%	25.45%	12.40%	1.02%	60.49%
State	State %	State \$						
ALL		X	\$	\$1	\$	\$	\$	\$
AL	6.00%	\$	\$	\$	\$	\$	\$	\$
FL	32.00%	\$	\$	\$	\$	\$	\$	\$
GA	24.00%	\$	\$	\$	\$	\$	\$	\$
KY	4.00%	\$	\$	\$	\$	\$	\$	\$
LA	9.00%	\$	\$	\$	\$	\$	\$	\$
MS	3.00%	\$	\$	\$	\$	\$	\$	\$
NC	9.00%	\$	\$	\$	\$	\$	\$	\$
SC	4.00%	\$	\$	\$	\$	\$	\$	\$
TN	9.00%	\$	\$	\$	\$	\$	\$	\$
Factor	19.67%	\$						

Review By:
Date: 12/16/2004